


Government of the District of Columbia  
Office of the Chief Financial Officer



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Kwame R. Brown  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** July 5, 2011

**SUBJECT:** Fiscal Impact Statement – “Retail Service Station Amendment Act of 2011”

**REFERENCE:** Bill 19-299, Committee Print shared with the OCFO on June 29, 2011

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**Conclusion**

Funds are sufficient in the proposed FY 2012 through FY 2015 budget and financial plan to implement the proposed legislation. Enactment of the proposed legislation does not have an impact on the District’s budget and financial plan.

**Background**

The proposed legislation would amend the Retail Service Station Act of 1976<sup>1</sup> to prevent “jobbers” (wholesale suppliers or distributors of motor fuel) from operating retail gas stations or serving as a landlord, supplier, and competitor of an independent station operator in the District. A jobber would have two years to comply with the proposed legislation.

Second, the proposed legislation would clarify that under existing District law, marketing agreements are not exclusive and cannot prohibit a retailer from purchasing any brand of fuel from any supplier. Third, it would expressly empower the Attorney General to bring action for violations of the proposed legislation in the name of the District of Columbia. Finally, the proposed legislation would reinstate a franchisee’s right of first refusal when the franchisor considers selling the service station. The original right of first refusal provision sunset on January 1, 2011.

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<sup>1</sup> Effective April 19, 1977 (D.C. Law 1-123; D.C. Official Code § 36-301.01 *et seq.*).

The Honorable Kwame R. Brown

FIS: B19-299 "Retail Service Station Amendment Act of 2011," shared with the OCFO on June 29, 2011

### **Financial Plan Impact**

Funds are sufficient in the proposed FY 2012 through FY 2015 budget and financial plan to implement the proposed legislation. Enactment of the proposed legislation does not have an impact on the District's budget and financial plan, but regulates the ownership of retail service stations.